

fishermen have not been harvesting the existing quota in recent years, NMFS believes it is unlikely that a quota increase would significantly affect the economic situation in this fishery.

Similarly, the preferred alternative to transfer the 25 mt ww of swordfish quota to Canada is not expected to have an impact on U.S. fishermen considering the amounts of recent quota underages, the impacts of recent management actions, and the recent levels of effort present in this fishery. The 25 mt ww of swordfish would have a value of about \$155,000 if it was caught by U.S. fishermen; however, the quota has no value to fishermen until the swordfish are landed and sold. As previously mentioned, it is unlikely given the current level of effort that the amount to be transferred will be caught now or in the near future by U.S. fishermen. Thus, the current economic impact of transferring 25 mt ww is negligible.

The other preferred alternatives in this proposed rule: implementing a dead discard allowance for 2003, modifying the North Atlantic swordfish harvest area, and setting the South Atlantic swordfish quota should have no significant impacts on U.S. fishermen. The 2003 dead discard allowance could create a small economic benefit, approximately \$500,000, by preserving some of the directed category quota by allowing 80 mt ww (60 mt dw) of dead discards to be counted against the North Atlantic TAC instead of the United States quota. Setting the South Atlantic swordfish quota at 100 mt ww (75 mt dw) could have negative economic impacts, approximately \$1.76 million, if it limits the effort by U.S. vessels in that fishing area. The modified North Atlantic fishing area could alleviate impacts by allowing up to 200 mt ww (150 mt dw) of South Atlantic swordfish to be applied to the North Atlantic swordfish quota, a potential increase in revenue of approximately \$1.24 million. However, U.S. fishermen have been underharvesting the quota in recent years so NMFS believes that these economic impacts are unlikely to occur.

The only other alternatives considered were no action alternatives for each of the aforementioned preferred alternatives; i.e. not implementing the North Atlantic swordfish quota increase, the 25 mt ww quota transfer, the South Atlantic swordfish quota decrease, the harvest area adjustment, and the 80 mt ww 2003 dead discard allowance. The no action alternatives are not preferred because they are not consistent with the purpose of this action. Selecting the no action alternative regarding the North Atlantic swordfish quota would have no

immediate economic impact as U.S. fishermen have not been catching the full quota in recent years. By maintaining the U.S. quota at current levels, the United States would stand a good chance of losing the allocation increase in the future which would prevent any increase in economic benefits. Maintaining the South Atlantic swordfish quota at its current level would not have significant impacts as U.S. fishermen have not been catching the quota in recent years. However, if effort increased in the near future, there would be the potential for ecological impacts. Not extending the dead discard allowance for 2003 would not be expected to have significant impacts as the U.S. has not been catching the full North Atlantic swordfish quota in recent years. Maintaining the current harvesting area of North Atlantic swordfish could have positive ecological impacts by limiting the total catch but it could have negative economic impacts in conjunction with the preferred alternative that would reduce the South Atlantic swordfish quota. Not transferring 25 mt ww of North Atlantic swordfish quota to Canada is not expected to have a significant impact on U.S. fishermen due to recent underharvests in the fishery.

None of the proposed alternatives in this document would result in additional reporting, record-keeping, compliance or monitoring requirements for the public. Establishing a dead discard allowance for 2003 and allowing up to 200 mt ww (150 mt dw) of South Atlantic swordfish to be applied to the North Atlantic swordfish quota involves additional monitoring on the part of NMFS. NMFS will use logbook submissions (OMB control number 0648-0371) to monitor the amount of quota harvested and notify the participants in the fishery when the quota is almost reached. NMFS does not believe that the proposed alternatives would conflict with or duplicate any relevant regulations, federal or otherwise.

#### List of Subjects in 50 CFR Part 635

Fisheries, Fishing, Management, Reporting and recordkeeping requirements, Treaties.

Dated: June 16, 2003.

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For the reasons set out in the preamble, 50 CFR part 635 is proposed to be amended as follows:

#### PART 635—ATLANTIC HIGHLY MIGRATORY SPECIES

1. The authority citation for part 635 continues to read as follows:

**Authority:** 16 U.S.C. 971 *et seq.*; 16 U.S.C. 1801 *et seq.*

2. In § 635.27, paragraph (c)(1) is revised to read as follows:

#### § 635.27 Quotas.

\* \* \* \* \*

(c) *Swordfish.* (1) *Categories.*

Consistent with ICCAT recommendations, the fishing year's total amount of swordfish that may be caught, retained, possessed, or landed by persons and vessels subject to U.S. jurisdiction is divided into quotas for the North Atlantic swordfish stock and the South Atlantic swordfish stock. The quota for the North Atlantic swordfish stock is further divided into equal semi-annual directed fishery quotas, an annual incidental catch quota for fishermen targeting other species or taking swordfish recreationally, and a reserve category. In addition, a dead discard allowance is established for the North Atlantic swordfish stock.

(i) *North Atlantic swordfish.* (A) A swordfish from the North Atlantic swordfish stock caught prior to the directed fishery closure by a vessel for which a directed fishery permit or a handgear permit for swordfish has been issued is counted against the directed fishery quota. For the fishing year beginning June 1, 2003, the annual directed fishery quota for the North Atlantic swordfish stock is 2,615 mt dw. This annual directed fishery quota is subdivided into two equal semiannual quotas of 1,307.5 mt dw, one for June 1 through November 30, and the other for December 1 through May 31 of the following year. Beginning June 1, 2004, the annual directed fishery quota is 2,638 mt dw, which is subdivided into two equal semiannual quotas of 1,319 mt dw, one for June 1 through November 30, and the other for December 1 through May 31 of the following year.

(B) A swordfish from the North Atlantic swordfish stock landed by a vessel for which an incidental catch permit for swordfish or an HMS angling permit has been issued, or caught after the effective date of a closure of the directed fishery from a vessel for which a directed fishery permit or a handgear permit for swordfish has been issued, is counted against the incidental catch quota. The annual incidental catch quota for the North Atlantic swordfish stock is 300 mt dw.

(C) The dead discard allowance for the North Atlantic swordfish stock is: 60